

Item 1: Cover Page
Part 2A of Form ADV: Firm Brochure
March 29, 2023

OceanIQ Capital, LLC
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Redwood City, CA 94065
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This brochure provides information about the qualifications and business practices of OceanIQ Capital, LLC. (CRD # 168062). If clients have any questions about the contents of this brochure, please contact Kai Chen at (415) 432-7580 or compliance@oceaniqcapital.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any State Securities Authority. Additional information about our firm is also available on the SEC's website at www.adviserinfo.sec.gov.

Please note that the use of the term "registered investment adviser" and description of our firm and/or our associates as "registered" does not imply a certain level of skill or training. Clients are encouraged to review this Brochure and Brochure Supplements for our firm's associates who advise clients for more information on the qualifications of our firm and our employees.

Item 2: Material Changes

OceanIQ Capital, LLC (“OceanIQ”) is required to make clients aware of information that has changed since the last annual update to the Firm Brochure (“Brochure”) and that may be important to them. Clients can then determine whether to review the brochure in its entirety or to contact us with questions about the changes.

Since our last filing in May 2022, we have amended the following items:

- Item 4 and Item 5 were amended to include a new corporate cash management service offered by our firm
- Item 5 was amended to remove previously used fee schedules and replaced them with a single fee schedule. We also removed mention of referral fees from third party money managers.
- Item 8 was amended to remove methods of analysis our firm no longer uses, while editing the risks section to reflect our current investment practices.

Item 17 was amended to update proxy voting policies.

We recommend that all new and existing clients read this new brochure in its entirety. Clients and Investors may receive a complete copy of our brochure by contacting our firm at (415) 432-7580 or compliance@oceaniqcapital.com.

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Item 4: Advisory Business

Our firm is dedicated to providing individuals and other types of clients with a wide array of investment advisory services. Our firm is a limited liability company formed under the laws of the State of Delaware in 2013. Our firm is wholly owned by OceanIQ Group LLC, which is majority owned by Kai Chen.

Our firm provides investment consulting services for many different types of clients to help meet their financial goals while remaining sensitive to risk tolerance and time horizons. As a fiduciary it is our duty to always act in the client's best interest. This is accomplished in part by knowing the client. Our firm has established a service-oriented advisory practice with open lines of communication. Working with clients to understand their investment objectives while educating them about our process, facilitates the kind of working relationship we value.

Types of Advisory Services Offered

Family Office Services

- Due diligence of investment managers
- Asset Allocation
- Retirement Planning
- Estate Planning
- Investment Consulting
- Business Planning
- Education Planning
- Banking relationships support
- Life management and budgeting
- Training and education (including family members)
- Legal/Tax advisory coordination
- Real Estate Consulting
- Concierge Services
- Private Placement Consulting

Our Family Office Services are generally rendered in conjunction with asset management services (as described further below under Comprehensive Portfolio Management). In performing these services, OceanIQ Capital is not required to verify any information received from the client or from the client's other professionals (e.g., attorneys, accountants, etc.) and is expressly authorized to rely on such information through our advisory service agreement. In performing this service, OceanIQ will be authorized by the client to obtain information and discuss such information with other professionals engaged by the client.

Fees for Family Office Services that include asset management services will be in addition to the Comprehensive Portfolio Management fee schedule as described below in Item 5.

Clients are advised that it remains their responsibility to promptly notify OceanIQ Capital of any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising the firm's previous recommendations and/or services.

Comprehensive Portfolio Management:

As part of our Comprehensive Portfolio Management service clients will be provided asset management and financial planning or consulting services. This service is designed to assist clients in meeting their financial goals through the use of a financial plan or consultation. Our firm conducts client meetings to understand their current financial situation, existing resources, financial goals, and tolerance for risk. Based on what is learned, an investment approach is presented to the client, consisting of individual stocks, bonds, ETFs, options, mutual funds and other public and private securities or investments. Once the appropriate portfolio has been determined, portfolios are continuously and regularly monitored, and if necessary, rebalanced based upon the client's individual needs, stated goals and objectives. Upon client request, our firm provides a summary of observations and recommendations for the planning or consulting aspects of this service.

Our firm also provides retirement plan consulting services to employer plan sponsors on an ongoing basis. Generally, such consulting services consist of assisting employer plan sponsors in establishing, monitoring, and reviewing their company's participant-directed retirement plan. As the needs of the plan sponsor dictate, areas of advising could include: investment options, plan structure and participant education.

Retirement Plan Consulting services typically include:

- Establishing an Investment Policy Statement – Our firm will assist in the development a statement that summarizes the investment goals and objectives along with the broad strategies to be employed to meet the objectives.
- Investment Options – Our firm will work with the Plan Sponsor to evaluate existing investment options and make recommendations for appropriate changes.
- Asset Allocation and Portfolio Construction – Our firm will develop strategic asset allocation models to aid Participants in developing strategies to meet their investment objectives, time horizon, financial situation, and tolerance for risk.
- Investment Monitoring – Our firm will monitor the performance of the investments and notify the client in the event of over/underperformance and in times of market volatility.

In providing services for retirement plan consulting, our firm does not provide any advisory services with respect to the following types of assets: employer securities, real estate (excluding real estate funds and publicly traded REITS), participant loans, non-publicly traded securities or assets, other illiquid investments, or brokerage window programs (collectively, "Excluded Assets").

All retirement plan consulting services shall be in compliance with the applicable state laws regulating retirement consulting services. This applies to client accounts that are retirement or other employee benefit plans ("Plan") governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). If the client accounts are part of a Plan, and our firm accept appointments to provide services to such accounts, our firm acknowledges its fiduciary standard within the meaning of Section 3(21) or 3(38) of ERISA as designated by the Retirement Plan Consulting Agreement with respect to the provision of services described therein.

Financial Planning & Consulting:

Our firm provides a variety of standalone financial planning and consulting services to clients for the management of financial resources based upon an analysis of current situation, goals, and objectives. Financial planning services will typically involve preparing a financial plan or rendering a financial consultation for clients based on the client's financial goals and objectives. This planning or consulting may encompass Investment Planning, Retirement Planning, Estate Planning, Charitable Planning, Education Planning, Corporate and Personal Tax Planning, Cost Segregation Study, Corporate Structure, Real Estate Analysis, Mortgage/Debt Analysis, Insurance Analysis, Lines of Credit Evaluation, or Business and Personal Financial Planning.

Written financial plans or financial consultations rendered to clients usually include general recommendations for a course of activity or specific actions to be taken by the clients. Implementation of the recommendations will be at the discretion of the client. Our firm provides clients with a summary of their financial situation, and observations for financial planning engagements. Financial consultations are not typically accompanied by a written summary of observations and recommendations, as the process is less formal than the planning service. Assuming that all the information and documents requested from the client are provided promptly, plans or consultations are typically completed within six (6) months of the client signing a contract with our firm. CCR Section 260.235.2 requires that we disclose to our financial planning clients that a conflict of interest exists between us and our clients. The client is under no obligation to act upon the investment adviser's recommendation. If the client elects to act on our recommendations, the client is under no obligation to effect the transaction through us.

Referrals to Third Party Money Managers:

Our firm utilizes the services of a third party money manager for the management of client accounts. Investment advice and trading of securities will only be offered by or through the chosen third party money manager. Our firm will not offer advice on any specific securities or other investments in connection with this service. Prior to referring clients, our firm will provide initial due diligence on third party money managers and ongoing reviews of their management of client accounts. In order to assist in the selection of a third party money manager, our firm will gather client information pertaining to financial situation, investment objectives, and reasonable restrictions to be imposed upon the management of the account.

Our firm will periodically review third party money manager reports provided to the client at least annually. Our firm will contact clients from time to time in order to review their financial situation and objectives; communicate information to third party money managers as warranted; and, assist the client in understanding and evaluating the services provided by the third party money manager. Clients will be expected to notify our firm of any changes in their financial situation, investment objectives, or account restrictions that could affect their financial standing.

Venture Capital Fund Management

OceanIQ Partners, LLC (OceanIQ Partners), a Delaware series limited liability company under common control with OceanIQ Capital, LLC and a relying adviser of OceanIQ Capital, LLC, is the Managing Member of OceanIQ Partners Fund II, LLC (and its classes therein) venture capital funds (the "Funds").

OceanIQ Partners manages the venture capital funds in accordance with the investment objective and investment strategy described in the offering documents of the venture capital funds, which includes a confidential private placement memorandum, subscription agreement, subscription questionnaire, etc.

Clients of the Funds will be offered to clients of OceanIQ Capital, LLC, however, they are under no obligation to invest. For more information, please refer to the respective Fund's Offering Memorandum.

Private Funds and Special Purpose Vehicles

Our firm may also recommend that clients invest in unaffiliated or affiliated private investment vehicles and/or special purpose vehicles whose interests are not publicly offered under the Securities Act of 1933 ("Private Funds"). Such Private Funds may be structured as access vehicles or special purpose vehicles for investment into a wide range of portfolio companies, including both private and public companies, start-up or emerging companies, and U.S. or non-U.S. companies. OceanIQ Capital will, from time to time and as appropriate, solicit clients to invest in such vehicles, and will decide which clients to approach for some or all of these investments, in its own discretion. All relevant information pertaining to Private Fund recommendations, including the compensation received by OceanIQ Capital (if any) or an affiliate or related person (as applicable) resulting from a client's investment in a Private Fund, other fees and expenses paid by the respective Private Fund, withdrawal rights, minimum investments, qualification requirements, suitability, risk factors and potential conflicts of interest is set forth in the respective Private Fund's disclosure documents, governing documents and other offering materials pertaining to such interest (the "Offering Materials"). Each investor is required to receive, review and execute (as applicable) the Offering Materials prior to being accepted as an investor in any such Private Fund.

It is important to note that any OceanIQ Capital advisory fee charged to clients for investing in a Private Fund may be in addition to the fees charged by the Private Funds to investors. This is a conflict of interest with the multiple fees charged because certain owners of OceanIQ Capital are owners and general partners of the Private Funds and will receive multiple forms of compensation. It should also be noted that certain members of OceanIQ Capital may directly participate in any of the investment opportunities described for which a Private Fund is established and/or may participate through the Private Fund itself for the purposes of investing. This right to participate and any corresponding economic interest therefrom will likely mean that certain members of OceanIQ will derive a direct or indirect benefit from their direct participation and may also receive management fees, carried interest and other fees that a Private Fund charges to investors and clients for their participation in the respective investment opportunity. As such, a conflict of interest arises between the presentation of a private market investment opportunity to clients and prospective clients, and those members of OceanIQ Capital who will have an interest in the alternative investment opportunity and who, through a Private Fund, may also be charging clients and investors a variety of fees for investment in the respective investment opportunity. Therefore, it should be understood that members of OceanIQ Capital may be highly incentivized to recommend an alternative investment opportunity to clients. Clients are strongly advised and encouraged to discuss this conflict of interest with their advisors and to assess the risks, merits, charges, suitability, and appropriateness of the opportunity prior to making any investment decision.

Corporate Cash Management Services

Our firm offers cash management services to corporations. We consider a Corporate Cash Management Services client's liquidity needs and invest in high-quality, U.S. Treasury-, or Government-issued fixed income securities.

Insurance Premium Payment Management & Advisory Services

Blue Ocean Advisors, LLC ("Blue Ocean"), a Delaware limited liability company under common control with OceanIQ Capital, LLC and a relying adviser of OceanIQ Capital, LLC, offers insurance premium payment management and advisory services to certain UHNW and HNW international and domestic clients.

Tailoring of Advisory Services

Our firm offers individualized investment advice to our Comprehensive Portfolio Management clients. General investment advice will be offered to our Financial Planning & Consulting, and Referrals to Third Party Money Management clients.

Each Comprehensive Portfolio Management client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio. Restrictions on investments in certain securities or types of securities may not be possible due to the level of difficulty this would entail in managing the account.

Participation in Wrap Fee Programs

Our firm does not participate in or offer any wrap fee programs at this time.

Regulatory Assets Under Management

As of December 31, 2022, our total regulatory assets under management are \$114,826,935

Item 5: Fees & Compensation

Compensation for Our Advisory Services

Family Office Services

Family office services are project based and range up to \$10,000 annually.

Comprehensive Portfolio Management:

Annualized fees are calculated on a flat fee or blended tiered approach against the aggregate net market value of the account as of the close of business on the last business day in the preceding quarter.

Fee arrangements will be negotiated and memorialized in the client advisory agreement and fee amounts are specific to each client as negotiated therewith. Fees are billed on a pro-rata quarterly basis in advance and will be deducted from client account(s) unless other arrangement have been mutually agreed upon. In rare cases, our firm will agree to direct bill clients. Lower fees may be available for similar services elsewhere.

The following is our current fee schedule:

| Aggregate Net Market Value | Annual Percentage of Assets Charge |
|---------------------------------------|---|
| Under \$5,000,000 | 1.00% |
| \$5,000,000 through \$25,000,000 | 0.50% |
| Over \$25,000,000 | 0.35% |

This fee schedule example is for illustrative purposes only. An appropriate fee schedule will be negotiated with each client individually based on a variety of factors and considerations, in an effort to tailor a fee arrangement accordingly. Legacy clients will continue paying fees according to their advisory agreement.

Clients must provide our firm with written authorization permitting direct payment of advisory fees from their account(s) maintained by a custodian who is independent of our firm. Our firm sends quarterly statements to the client showing the fee amount, the value of the assets upon which the fee is based, and the specific manner in which the fee is calculated as well as disclosing that it is the client's responsibility to verify the accuracy of fee calculation, and that the custodian does not determine its accuracy. The account custodian sends a statement to the client, at least quarterly, showing all account disbursements, including advisory fees.

Financial Planning & Consulting:

Our firm charges on an hourly or flat fee basis for financial planning and consulting services. The total estimated fee, as well as the ultimate fee charged, is based on the scope and complexity of our engagement with the client. The maximum hourly fee to be charged will not exceed \$500. Flat fees range from \$10,000 to \$100,000. Our firm requires a retainer of fifty percent (50%) of the ultimate financial planning or consulting fee at the time of signing. The remainder of the fee will be directly billed to the client and due within thirty (30) days of a financial plan being delivered or consultation rendered. Our firm will not require a retainer exceeding \$1,200 when services cannot be rendered within 6 (six) months.

Corporate Cash Management Services

Corporate Cash Management Services fees are billed on a pro-rata quarterly in advance basis and are debited directly from client account(s). The following is our firm's corporate cash management fee schedule:

| Aggregate Net Market Value | Annual Percentage of Assets Charge |
|---------------------------------------|---|
| Under \$25,000,000 | 0.1% |
| Over \$25,000,000 | 0.05% |

Clients must provide our firm with written authorization permitting direct payment of advisory fees from their account(s) maintained by a custodian who is independent of our firm. Our firm sends quarterly statements to the client showing the fee amount, the value of the assets upon which the fee is based, and the specific manner in which the fee is calculated as well as disclosing that it is the client's responsibility to verify the accuracy of fee calculation, and that the custodian does not determine its accuracy. The account custodian sends a statement to the client, at least quarterly, showing all account disbursements, including advisory fees.

Other Types of Fees & Expenses

In connection with our management of an account, a client will incur fees and/or expenses separate from and in addition to our advisory fee.

These additional fees may include transaction charges and the fees/expenses charged by any custodian, subadvisor, mutual fund, ETF, CEF, third party manager, separate account manager (and the manager's platform manager, if any), limited partnership, or other advisor, transfer taxes, odd lot differentials, 12b-1 fees, surrender charges, mutual fund sales loads, variable annuity fees, IRA and qualified retirement plan fees, exchange fees, interest charges, ADR processing fees, and any charges, taxes or other fees mandated by any federal, state or other applicable law, retirement plan account fees (where applicable), margin interest, brokerage commissions, mark-ups or mark-downs and other transaction-related costs, electronic fund and wire fees, and any other fees that reasonably may be borne by a brokerage account. Our firm does not receive a portion of these fees.

Termination & Refunds

Either party may terminate the advisory agreement signed with our firm for Comprehensive Portfolio Management services in writing at any time. Upon notice of termination pro-rata advisory fees for services rendered to the point of termination will be charged. If advisory fees cannot be deducted, our firm will send an invoice for due advisory fees to the client.

Financial Planning & Consulting clients may terminate their agreement at any time before the delivery of a financial plan by providing written notice. For purposes of calculating refunds, all work

performed by us up to the point of termination shall be calculated at the hourly fee currently in effect. Clients will receive a pro-rata refund of unearned fees based on the time and effort expended by our firm.

Commissionable Securities Sales

Our firm and representatives do not sell securities for a commission in advisory accounts.

Item 6: Performance-Based Fees & Side-By-Side Management

Performance based fees can only be assessed to clients with at least \$1,100,000 under management with our firm or a net worth of at least \$2,200,000. A performance fee is a fee based on a share of capital gains on or capital appreciation of the managed assets of a client.

In addition to the advisory fee charged in Item 5 of this brochure, our firm charges up to 10% of the net profits (i.e., profits after our management fee have been deducted) achieved for the previous quarter's account management. The performance fee is payable only if the net profits in the client account(s) exceed the performance calculation of the previous year (a "high water mark"). At our discretion, our firm may waive all or any portion of the performance fee or may agree with a client to other changes to the performance fee by written agreement only.

In charging performance fees to some client accounts, our firm faces a conflict of interest as our firm can potentially receive greater fees from client accounts having a performance-based compensation structure than from accounts only charged an advisory fee. As a result, there exists an incentive to direct the best investment ideas to, or to allocate or sequence trades in favor of, the account that pays a performance fee. Our firm has taken important steps to ensure that our performance-based accounts are not favored over our client's non-performance fee-based accounts.

Performance based and non-performance-based accounts are periodically reviewed and compared. In the event that our firm finds performance-based accounts are being unduly (i.e., consistently) favored over non-performance-based accounts, our firm would take action to address the situation on a case-by-case basis. This could include allowing non-performance-based accounts to trade before performance-based accounts to the extent practicable, or if the problem persists, not allowing new performance-based accounts, waiving our performance based fees or cancelling our performance based fee arrangements altogether and in some cases, termination of firm personnel.

Our firm also makes use of block trades and allocations made based on client's risk tolerance, investment objectives and restrictions. Our firm will periodically review block trade allocations to detect whether profitable trades are being disproportionately allocated to performance-based accounts, while unprofitable trades are being disproportionately allocated to pure-fee based accounts with no performance fee. If a problem is detected in the allocation of block trades, our firm will take measures as previously described above.

Item 7: Types of Clients & Account Requirements

Our firm has the following types of clients:

- Individuals and High Net Worth Individuals;
- Trusts, Estates or Charitable Organizations;
- Pension and Profit-Sharing Plans;
- Corporations, Limited Liability Companies and/or Other Business Types;
- Private venture funds and pooled investment vehicles (through our relying adviser OceanIQ Partners, LLC)

Our requirements for opening and maintaining accounts or otherwise engaging us:

- Our firm requires a minimum account balance of \$1,100,000 for our performance-based fee services. Generally, this minimum account balance requirement is not negotiable and would be required throughout the course of the client's relationship with our firm.

For private venture funds, the investment minimums typically range from \$10,000 to \$100,000 but OceanIQ Partners, LLC, at its sole discretion, may accept lower investment amounts.

Item 8: Methods of Analysis, Investment Strategies & Risk of Loss

Methods of Analysis

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

Fundamental Analysis: We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell). Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

Asset Allocation: We generally focus on identifying an appropriate allocation of securities, maturities, market sectors and yield curve positioning suitable for the client's investment goals and risk tolerance.. A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

Mutual Fund and/or ETF Analysis: We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to

invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in other fund(s) in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy. A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value.

There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

Third-Party Money Manager Analysis: We examine the experience, expertise, investment philosophies, and past performance of independent third-party investment managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the manager's underlying holdings, strategies, concentrations, and leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, we survey the manager's compliance and business enterprise risks. A risk of investing with a third-party manager who has been successful in the past is that he/she may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a third-party manager's portfolio, there is also a risk that a manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients.

Moreover, as we do not control the manager's daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

Quantitative Analysis: We use quantitative analysis that may include mathematical analysis in an attempt to identify the impact of interest rate changes on individual securities and portfolios of securities. The results of our quantitative analysis are taken into consideration in the decision to buy or sell securities and in the management of portfolio characteristics. A risk in using quantitative analysis is that the methods or models used may be based on assumptions that prove to be incorrect.

Qualitative Analysis: We use qualitative analysis to evaluate individual securities, focusing on nonquantifiable factors such as quality of management and others not readily subject to measurement, and incorporate that analysis into our security selection process. A risk in using qualitative analysis is that our subjective judgment may prove incorrect.

Risks for All Forms of Analysis: Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

Investment Strategies We Use

We use the following strategies in managing client accounts, provided that such strategies are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

Long-Term Purchases: When utilizing this strategy, we may purchase securities with the idea of holding them for a relatively long time (typically held for at least a year). A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantages of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell. Typically, we employ this sub-strategy when we believe the securities to be well valued; and/or we want exposure to a particular asset class over time, regardless of the current projection for this class. The potential risks associated with this investment strategy involve a lower-than-expected return, for many years in a row. Lower-than-expected returns that last for a long time and/or that are severe in nature would have the impact of dramatically lowering the ending value of your portfolio, and thus could significantly threaten your ability to meet financial goals.

Short-Term Purchases: When utilizing this strategy, we may also purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase. The potential risk associated with this investment strategy is associated with the currency or exchange rate. Currency or exchange rate risk is a form of risk that arises from the change in price of one currency against another. The constant fluctuations in the foreign currency in which an investment is denominated vis-à-vis one's home currency may add risk to the value of a security. Currency risk is greater for shorter term investments, which do not have time to level off like longer term foreign investments.

Trading: We purchase securities with the idea of selling them very quickly (typically within 30 days or less). We do this in an attempt to take advantage of our predictions of brief price swings. Trading involves risk that may not be suitable for every investor and may involve a high volume of trading activity. Each trade generates a commission and the total daily commission on such a high volume of trading can be considerable. Active trading accounts should be considered speculative in nature with the objective being to generate short-term profits. This activity may result in the loss of more than 100% of an investment.

Option Writing: We may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset. The two types of options are calls and puts. A call gives us the right to buy an asset at a certain price within a specific period of time. We will buy a call if we have determined that the stock will increase substantially before the option expires. A put gives us the holder the right to sell an asset at a certain price within a specific period of time. We will buy a put if we have determined that the price of the stock will fall before the option expires. We will use options to "hedge" a purchase of the underlying security; in other words, we will use an option purchase to limit the potential upside and downside of a security we have purchased for your portfolio. We use "covered calls", in which we sell an option on security you own. In this strategy, you receive a fee for making the option available, and the person purchasing the option has the right to buy the security from you at an agreed-upon price.

We use a "spreading strategy", in which we purchase two or more option contracts (for example, a call option that you buy and a call option that you sell) for the same underlying security. This effectively puts you on both sides of the market, but with the ability to vary price, time, and other factors. The potential risks associated with these transactions are that (1) all options expire. The closer the option gets to expiration, the quicker the premium in the option deteriorates; and (2) Prices can move very quickly. Depending on factors such as time until expiration and the relationship of the stock price to the option's strike price, small movements in a stock can translate into big movements in the underlying options.

Fixed Income Portfolio Management Investment Strategies:

We believe that a conservative, risk-averse approach to fixed income management will provide both steady incremental outperformance, and low relative volatility. The disciplined process we employ in an effort to realize this philosophy is generally grounded in four key decisions:

1. Constraint of portfolio duration within a narrow range relative to the benchmark in order to limit exposure to market and interest rate risk.
2. Strategic allocations to key sectors to add value relative to the benchmark.
3. Proactive management of term structure to add value in different yield curve environments.
4. Security selection based on rigorous credit and relative value analysis and broad diversification of nongovernment issuers.

Within our Fixed Income strategy, we use the following sub-strategies in managing client accounts, provided that such sub-strategies are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations.

Duration Constraints: We adhere to a discipline of generally maintaining duration within a narrow band around benchmark duration in order to limit exposure to market risk. Our portfolio management team rebalances client portfolios to their current duration targets on a periodic basis. The risk of constraining duration is that the client may not participate fully in a large rally in bond prices.

Sector Allocation: We allocate client assets to various sectors of the fixed income market, including US Treasury obligations, federal agency securities, corporate notes, mortgage-backed securities and others, based on our quantitative and qualitative analysis in order to manage client exposure to a given sector and to provide exposure to sectors we believe have good value. The risk of sector allocation is that clients may not participate fully in an increase in value in any specific sector.

Security Selection: A proprietary credit evaluation process drives our security selection process. The system uses both internally and externally generated credit research to evaluate securities we are considering for purchase. Based on research we conduct internally; our Credit Committee selects securities for our Approved list. The ultimate decision to purchase or sell a security is based on the firm's evaluation of the current price for the security. The risk of security selection is that the methods of analysis employed will not provide accurate measurement of the risk association with each individual security.

Risk of Loss

Investing in securities involves risk of loss that clients should be prepared to bear. While the stock market may increase and the account(s) could enjoy a gain, it is also possible that the stock market may decrease, and the account(s) could suffer a loss. It is important that clients understand the risks associated with investing in the stock market, are appropriately diversified in investments, and ask any questions.

Description of Material, Significant or Unusual Risks

Our firm generally invests client cash balances in money market funds, FDIC Insured Certificates of Deposit, high-grade commercial paper and/or government backed debt instruments. Ultimately, our firm tries to achieve the highest return on client cash balances through relatively low-risk conservative investments. In most cases, at least a partial cash balance will be maintained in a money market account so that our firm may debit advisory fees for our services related to our Comprehensive Portfolio Management services, as applicable.

Item 9: Disciplinary Information

Mr. Kai Chen, our firm's managing member, was involved in a regulatory action which was resolved on December 15, 2016. For additional information please use the following website: www.adviserinfo.sec.gov and search by CRD# 2916984.

Item 10: Other Financial Industry Activities & Affiliations

OceanIQ Capital, LLC is under common control with OceanIQ Partners, both of which are wholly owned by OceanIQ Group LLC, which is majority owned by Kai Chen. OceanIQ Partners is a relying adviser of OceanIQ Capital, LLC and is the investment manager to OceanIQ Partners Fund II, LLC, and its classes therein. As well as always acting in the client's best interest, in order to mitigate the risk of this potential conflict of interest, OceanIQ Capital has engaged a third-party, independent auditor to provide an annual, unqualified review of the fund's holdings.

Blue Ocean Advisors, LLC ("Blue Ocean"), a Delaware limited liability company under common control with OceanIQ Capital, LLC and a relying adviser of OceanIQ Capital, LLC, offers insurance premium payment management and advisory services to certain UHNW and HNW international and domestic clients. In order to create a viable client base, Blue Ocean establishes referral relationships with international brokerage firms predominantly in Asia.

Certain representatives of our firm are insurance agents/brokers. They offer insurance products and receive customary fees as a result of insurance sales. A conflict of interest exists as these insurance sales creates an incentive to recommend products based on the compensation adviser and/or our supervised persons may earn. To mitigate this potential conflict, our firm will act in the client's best interest.

Our firm is not registered, nor does it have an application pending to register, as a broker-dealer, registered representative of a broker dealer, futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities.

Our firm is also affiliated with the following entities because they are deemed to be related persons of OceanIQ Capital as sponsors of limited partnerships/limited liability companies and/or sponsors, general partners or managing members of pooled investment vehicles:

- Forest VC, LLC
- Wisdomont Asset Management, LLC

Please see Item 4 above for more information about the selection of third-party money managers. The compensation paid to our firm by third party managers may vary, and thus, creates a conflict of interest in recommending a manager who shares a larger portion of its advisory fees over another manager. Prior to referring clients to third party advisors, our firm will ensure that third party advisors are licensed, or notice filed with the respective authorities. A potential conflict of interest in utilizing third party advisors may be an incentive to us in selecting a particular advisor over another in the form of fees or services. In order to minimize this conflict our firm will make our recommendations/selections in the best interest of our clients.

Item 11: Code of Ethics, Participation or Interest in Client Transactions & Personal Trading

As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to always act solely in the best interest of each of our clients. Our fiduciary duty is the underlying principle for our firm's Code of Ethics, which includes procedures for personal securities transaction and insider trading. Our firm requires all representatives to conduct business with the highest level of ethical standards and to always comply with all federal and state securities laws. In accordance with this, our firm engages an independent third-party compliance consultant to provide regulatory compliance support, to assist with best practices, maintenance of our Code of Ethics and compliance audits.

Upon employment with our firm, and at least annually thereafter, all representatives of our firm will acknowledge receipt, understanding and compliance with our firm's Code of Ethics. Our firm and representatives must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. If a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

Our firm recognizes that the personal investment transactions of our representatives demand the application of a Code of Ethics with high standards and requires that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, our firm also believes that if investment goals are similar for clients and for our representatives, it is logical, and even desirable, that there be common ownership of some securities.

In order to prevent conflicts of interest, our firm has established procedures for transactions effected by our representatives for their personal accounts¹. To monitor compliance with our personal trading policy, our firm has pre-clearance requirements for limited offerings, IPOs, and private offerings, and a quarterly securities transaction reporting system for all our representatives.

Neither our firm nor a related person recommends, buys, or sells for client accounts, securities in which our firm or a related person has a material financial interest without prior disclosure to the client.

Related persons of our firm may buy or sell securities and other investments that are also recommended to clients. To minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request.

Likewise, related persons of our firm buy or sell securities for themselves at or about the same time they buy or sell the same securities for client accounts. To minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request. In circumstances where the same securities are being purchased or sold, related persons' accounts will be included in a block trade with client accounts, and shares will be allocated across client portfolios as well as accounts of related persons to ensure same price and fairness. In some instances, our related persons will refrain from buying or selling the same securities prior to buying or selling for our clients in the same day.

Item 12: Brokerage Practices

Selecting a Brokerage Firm

Our firm maintains custody of certain client assets pursuant to the SEC's No Action Letter issued in February 2017 (*Investment Adviser Association*) (further described in Item 15 below). Client assets must be maintained by a qualified custodian. Our firm seeks to recommend a custodian who will hold client assets and execute transactions on terms that are overall most advantageous when compared to other available providers and their services. The factors considered, among others, are these:

- Timeliness of execution
- Timeliness and accuracy of trade confirmations
- Research services provided
- Ability to provide investment ideas
- Execution facilitation services provided
- Record keeping services provided
- Custody services provided
- Frequency and correction of trading errors
- Ability to access a variety of market venues

¹ For purposes of the policy, our associate's personal account generally includes any account (a) in the name of our associate, his/her spouse, his/her minor children or other dependents residing in the same household, (b) for which our associate is a trustee or executor, or (c) which our associate controls, including our client accounts which our associate controls and/or a member of his/her household has a direct or indirect beneficial interest in.

- Expertise as it relates to specific securities
- Financial condition
- Business reputation
- Quality of services

With this in consideration, our firm has an arrangement with Interactive Brokers, LLC (“IB”), Charles Schwab & Co. Advisor Services (“Schwab”), Bank Vontobel AG (“Vontobel”), and Griffinest Asia Securities, LLC (“Griffinest”), qualified custodians from whom our firm is independently owned and operated. IB, Schwab, Vontobel, and Griffinest offer services to independent investment advisers which include custody of securities, trade execution, clearance, and settlement of transactions. IB, Schwab, Vontobel, and Griffinest enable us to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. IB, Schwab, Vontobel, and Griffinest do not charge client accounts separately for custodial services. Client accounts will be charged transaction fees, commissions or other fees on trades that are executed or settle into the client’s custodial account. Transaction fees are negotiated with IB, Schwab, Vontobel, and Griffinest are generally discounted from customary retail commission rates. This benefits clients because the overall fee paid is often lower than would be otherwise.

IB, Schwab, Vontobel, and Griffinest may make certain research and brokerage services available at no additional cost to our firm. Research products and services provided by IB, Schwab, Vontobel, and Griffinest may include: research reports on recommendations or other information about particular companies or industries; economic surveys, data and analyses; financial publications; portfolio evaluation services; financial database software and services; computerized news and pricing services; quotation equipment for use in running software used in investment decision-making; and other products or services that provide lawful and appropriate assistance by IB, Schwab, Vontobel, and Griffinest to our firm in the performance of our investment decision-making responsibilities. The aforementioned research and brokerage services qualify for the safe harbor exemption defined in Section 28(e) of the Securities Exchange Act of 1934.

IB, Schwab, Vontobel and Griffinest do not make client brokerage commissions generated by client transactions available for our firm’s use. The research and brokerage services are used by our firm to manage accounts for which our firm has investment discretion. Without this arrangement, our firm might be compelled to purchase the same or similar services at our own expense.

As part of our fiduciary duty to our clients, our firm will always endeavor to put the interests of our clients first. Clients should be aware, however, that the receipt of economic benefits by our firm or our related persons creates a potential conflict of interest and may indirectly influence our firm’s choice of IB, Schwab, Vontobel and/or Griffinest as a custodial recommendation. Our firm examined this potential conflict of interest when our firm chose to recommend IB, Schwab, Vontobel, and/or Griffinest and have determined that the recommendation is in the best interest of our firm’s clients and satisfies our fiduciary obligations, including our duty to seek best execution.

Our clients may pay a transaction fee or commission to IB, Schwab, Vontobel, and/or Griffinest that is higher than another qualified broker dealer might charge to effect the same transaction where our firm determines in good faith that the commission is reasonable in relation to the value of the brokerage and research services provided to the client as a whole.

In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer’s services, including the value of research provided, execution capability, commission

rates, and responsiveness. Although our firm will seek competitive rates, to the benefit of all clients, our firm may not necessarily obtain the lowest possible commission rates for specific client account transactions. If a client decides to choose another broker-dealer other than IB, Schwab, Vontobel, or Griffingest, unless specially disclosed by the custodian of the client's choice, advisory billing will be done in a similar fashion as to what has been disclosed above.

Soft Dollars

Our firm does not receive soft dollars in excess of what is allowed by Section 28(e) of the Securities Exchange Act of 1934. The safe harbor research products and services obtained by our firm will generally be used to service all our clients but not necessarily all at any one particular time.

Client Brokerage Commissions

Your qualified custodian does not make client brokerage commissions generated by client transactions available for our firm's use.

Client Transactions in Return for Soft Dollars

Our firm does not direct client transactions to a particular broker-dealer in return for soft dollar benefits.

Brokerage for Client Referrals

Our firm does not receive brokerage for client referrals.

Directed Brokerage

Securities transactions are executed by brokers selected by OceanIQ Capital in its discretion and without the consent of clients. We do not allow clients to direct our firm to execute transactions through a specified broker-dealer.

Aggregation of Purchase or Sale

Our firm provides investment management services for various clients. There are occasions on which portfolio transactions may be executed as part of concurrent authorizations to purchase or sell the same security for numerous accounts served by our firm, which involve accounts with similar investment objectives. Although such concurrent authorizations potentially could be either advantageous or disadvantageous to any one or more particular accounts, they are affected only when our firm believes that to do so will be in the best interest of the effected accounts. When such

concurrent authorizations occur, the objective is to allocate the executions in a manner which is deemed equitable to the accounts involved. In any given situation, our firm attempts to allocate trade executions in the most equitable manner possible, taking into consideration client objectives, current asset allocation and availability of funds using price averaging, proration and consistently non-arbitrary methods of allocation.

Trade Error Policy

OceanIQ Capital maintains a record of any trading errors that occur in connection with investment activities of its clients. Both gains and losses that result from a trading error made by our firm will be borne or realized by our firm.

Item 13: Review of Accounts or Financial Plans

In his capacity as our Chief Executive Officer, Kai Chen, reviews accounts on at least a quarterly basis for our Comprehensive Portfolio Management, and Third-Party Money Management clients. The nature of these reviews is to learn whether client accounts are in line with their investment objectives, appropriately positioned based on market conditions, and investment policies, if applicable.

Our firm may review client accounts more frequently than described above. Among the factors which may trigger an off-cycle review are major market or economic events, the client's life events, requests by the client, etc.

Financial Planning clients do not receive reviews of their written plans unless they take action to schedule a financial consultation with us. Our firm does not provide ongoing services to financial planning clients, but are willing to meet with such clients upon their request to discuss updates to their plans, changes in their circumstances, etc. Financial Planning clients do not receive written or verbal updated reports regarding their financial plans unless they separately engage our firm for a post-financial plan meeting or update to their initial written financial plan.

Item 14: Client Referrals & Other Compensation

Referral Fees

Our firm pays referral fees (non-commission based) to independent solicitors (non-registered representatives) for the referral of their clients to our firm in accordance with relevant state statutes and rules. Such referral fee represents a share of our investment advisory fee charged to our clients. This arrangement will not result in higher costs to the referred client. In this regard, our firm maintains Solicitors Agreements in compliance with relevant state statutes and rules and applicable state and federal laws. All clients referred by Solicitors to our firm will be given full written disclosure

describing the terms and fee arrangements between our firm and Solicitor(s). In cases where state law requires licensure of solicitors, our firm ensures that no solicitation fees are paid unless the solicitor is registered as an investment adviser representative of our firm. If our firm is paying solicitation fees to another registered investment adviser, the licensure of individuals is the other firm's responsibility.

Software and Support Provided by Financial Institutions

OceanIQ Capital may receive from our custodians without cost to OceanIQ Capital, computer software and related systems support, which allow the firm to better monitor client accounts maintained at our custodians. OceanIQ Capital may receive the software and related support without cost because the firm renders investment management services to clients that maintain assets at our custodians. The software and support are not provided in connection with securities transactions of clients (i.e. not "soft dollars"). The software and related systems support may benefit OceanIQ Capital, but not its clients directly. In fulfilling its duties to its clients, OceanIQ Capital endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the firm's receipt of economic benefits from a broker-dealer creates a conflict of interest since these benefits may influence OceanIQ Capital's choice of broker-dealer over another broker-dealer that does not furnish similar software, systems support, or services. Additionally, OceanIQ Capital may receive the following benefits from our custodians: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services participants; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and access to an electronic communication network for client order entry and account information.

Other Economic Benefits

In addition, OceanIQ Capital is required to disclose any relationship or arrangement where it receives an economic benefit from a third party (non-client) for providing advisory services. This type of relationship poses a conflict of interest, and any such relationship is disclosed in response to Item 12, above.

Item 15: Custody

If a registered investment adviser is authorized or permitted to withdraw client funds or securities maintained with a custodian upon the adviser's instruction to the custodian, it is deemed to have custody of client funds and securities. As such, our firm has adopted the following safeguarding procedures:

- a) Clients must provide our firm with written authorization permitting direct payment of advisory fees from their account(s) maintained by a custodian who is independent of our firm;

- b) Our firm sends quarterly statements to the client showing the fee amount, the value of the assets upon which the fee is based, and the specific manner in which the fee is calculated as well as disclosing that it is the client's responsibility to verify the accuracy of fee calculation, and that the custodian does not determine its accuracy;
- c) Our firm sends quarterly performance reports to the client; and
- d) The account custodian sends a statement to the client, at least quarterly, showing all account disbursements, including advisory fees.

Clients are encouraged to raise any questions with us about the custody, safety or security of their assets and our custodial recommendations.

OceanIQ Capital, LLC is under common control with OceanIQ Partners LLC. As manager of OceanIQ Partners Fund II, LLC and its classes therein (collectively, the "Funds"), OceanIQ Partners LLC is deemed to have custody of the cash and securities held by these Funds. The Funds each send an audited financial statement, audited by a registered Public Company Accounting Oversight Board ("PCAOB") accountant, to each Fund investor within 120 days of each Fund's fiscal year end. By ensuring these steps are followed, our firm's annual surprise examination requirement is satisfied.

Standing Letters of Authorization

Pursuant to the SEC Division of Investment Management's issuance of a no-action letter (*Investment Adviser Association*, February 21, 2017) that provides clarification regarding whether an investment adviser acting on a standing letter of authorization ("SLOA") has custody under Rule 206(4)-2 of the Investment Advisers Act (the "Custody Rule"), our firm, in coordination with the qualified custodians of client accounts, has evaluated the custodial arrangements on behalf of our client advisory accounts, and determined that certain of those accounts are deemed to be "third party money movement accounts" and therefore, subject to the Custody Rule.

We have further reviewed and determined that each of these accounts satisfy the seven relief conditions outlined by the SEC in its *Investment Adviser Association* no-action letter, and therefore, are not subject to the "independent verification" requirement under the Custody Rule. We will continue to monitor our regulatory obligations under the Custody Rule.

Item 16: Investment Discretion

Clients have the option of providing our firm with investment discretion on their behalf, pursuant to an executed investment advisory client agreement. By granting investment discretion, our firm is authorized to execute securities transactions, determine which securities are bought and sold, the total amount to be bought and sold, and the broker-dealer for trade execution. Limitations may be imposed by the client in the form of specific constraints on any of these areas of discretion with our firm's written acknowledgement. For all client who are managed on a non-discretionary basis, our firm will secure client's permission prior to effecting any securities transactions.

Item 17: Voting Client Securities

Comprehensive Portfolio Management Clients

Our firm does not accept the proxy authority to vote client securities for Comprehensive Portfolio Management clients. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. In the event that proxies are sent to our firm, our firm will forward them to the appropriate client and ask the party who sent them to mail them directly to the client in the future. Clients may call, write or email us to discuss questions they may have about particular proxy votes or other solicitations. On occasion and only in very limited circumstances may our firm vote proxies on behalf of certain clients. If and when this does occur, the firm will either follow the instructions from the client (if provided) or will vote in line with management of the portfolio company, unless circumstances warrant otherwise.

Private Fund and Special Purpose Vehicle Clients

OceanIQ Capital has voting discretion over the securities held by Private Fund and Special Purpose Vehicles Clients who grant our firm investment discretion. Our firm will exercise its discretion in the best interests of its clients. In fulfilling its obligations to clients, our firm will act in a prudent and diligent manner intended to enhance the economic value of the securities.

Our firm generally votes according to recommendations of management. If we do not agree with management, we may sell the security.

We strive to eliminate conflicts of interest when voting the securities of our Clients. Clients may obtain a copy of OceanIQ Capital's voting policies and procedures upon request by contacting us at (415) 432-7580 or compliance@oceaniqcapital.com.

Item 18: Financial Information

Inclusion of a Balance Sheet

Our firm does not require nor is prepayment solicited for more than \$1,200 in fees per client, six months or more in advance. Therefore, our firm has not included a balance sheet for our most recent fiscal year.

Disclosure of Financial Condition

Our firm has nothing to disclose in this regard.

Bankruptcy Petition

Our firm has nothing to disclose in this regard.